

Schedule of Federal Audit Findings and Questioned Costs

Marysville School District No. 25 Snohomish County September 1, 2008 through August 31, 2009

- 1. Marysville School District's internal controls were inadequate to ensure compliance with federal reporting requirements for the Highly Qualified Teachers and Paraprofessionals grant.**

CFDA Number and Title:	84.010: Title I Grants to Local Education Agencies
Federal Grantor Name:	U.S. Department of Education
Federal Award/Contract Number:	
Pass-through Entity Name:	Office of Superintendent of Public Instruction (OSPI)
Pass-through Award/Contract Number:	221778 and 229307
Questioned Cost Amount:	\$0

Background

The Title I program is designed to improve the teaching and learning of children who are at risk of not meeting state academic standards and who reside in areas with high concentrations of children from low-income families. In fiscal year 2009, the District spent \$1,311,764 in Title I funding.

The Title I grant requires each teacher who works in a program supported with Title I funds to meet specific qualifications. A teacher is considered highly qualified if he or she has earned at least a bachelor's degree, holds full state certification and can demonstrate subject matter knowledge and teaching skill in each core academic subject assigned to teach.

School districts have a responsibility to support and monitor teacher progress toward meeting the goal of satisfying the federal requirements of a highly qualified teacher. They are required to:

- Have a highly qualified teacher plan and monitor progress to ensure all teachers meet the highly qualified teacher requirement.
- Ensure yearly progress in the numbers of teachers meeting highly qualified teacher requirements.
- Collect and report annual highly qualified teacher data to the Title I Part A office at the OSPI, using the Teacher Quality Data Collection Form.
- Maintain highly qualified teacher records at either the school or district level.

Description of Condition

During our audit, we found the District did not comply with the requirements for the highly qualified teacher count required to be reported to OSPI. Six highly qualified teachers funded by the grant were not reported on the Teacher Quality Data Collection Form. The District should have reported eight highly qualified Title I teachers, but only reported two.

Cause of Condition

There was a breakdown in communication between the employee responsible for preparing the Teacher Quality Data Collection Form and the departments submitting information to ensure all Title I teachers were included in the report to OSPI.

Effect of Condition and Questioned Costs

The lack of internal controls and compliance led to inaccurate reports, which the state uses to monitor compliance and progress toward meeting teacher quality goals. Highly qualified teachers were not accurately identified to the state and public. No questioned costs were identified.

Recommendation

We recommend the District ensure there is adequate communication between the employee responsible for the Teacher Quality Data Collection Form and the departments submitting the information to ensure accurate reporting. In addition, we recommend the District establish and follow internal controls to ensure compliance with the Highly Qualified Teacher reporting requirements.

District's Response

The Marysville School District concurs with the finding that the district did not report all Title I highly qualified teachers to OSPI. To ensure that all highly qualified teachers are reported in the future, the district will perform an additional review of the teacher quality data collection form prior to submittal to OSPI. We appreciate the Auditor's acknowledgement that this is a reporting issue and did not result in questioned costs or loss of revenue to the district.

Auditor's Remarks

We thank the District for its cooperation and assistance during the audit and acknowledge its commitment to improving the condition described. We will review the status of this issue during our next audit.

Applicable laws and Regulations

Office of Management and Budget Circular A-133, *Audits of States, Local Governments, And Non-Profit Organizations*, Section 300 states in part:

The auditee shall:

(b) Maintain internal control over Federal programs that provides reasonable assurance that the auditee is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.

Elementary and Secondary Education Act of 1965, as amended, Title I, Part A; Section 1119 - QUALIFICATIONS FOR TEACHERS AND PARAPROFESSIONALS (20 USC 6319(b)(1)).

(b) REPORTS-

(1) ANNUAL STATE AND LOCAL REPORTS-

(A) LOCAL REPORTS- Each State educational agency described in subsection (a)(2) shall require each local educational agency receiving funds under this part to publicly report, each year, beginning with the 2002-2003 school year, the annual progress of the local educational agency as a whole and of each of the schools served by the agency, in meeting the measurable objectives described in subsection (a)(2).

(B) STATE REPORTS- Each State educational agency receiving assistance under this part shall prepare and submit each year, beginning with the 2002-2003 school year, a report to the Secretary, describing the State educational agency's progress in meeting the measurable objectives described in subsection (a)(2).

(C) INFORMATION FROM OTHER REPORTS- A State educational agency or local educational agency may submit information from the reports described in section 6311(h) of this title for the purposes of this subsection, if such report is modified, as may be necessary, to contain the information required by this subsection, and may submit such information as a part of the reports required under section 6311(h) of this title.